STATEMENT BY MINISTER

Verification and evaluation of costoms duty to a Multinational Company by the Government—Contd.

SHRI GURUDAS DAS GUPTA (West Bengal): Mr. Vice-Chairman, Sir, I am really bewildered. I feel completely bewildered.

I never believed that this can be a suggestion put forward — by a section of the Government. At any point of time can it be within the limit of imagination of a Government of a responsible nation? Sir, my first question is, whose brainchild it is, who mooted the idea, who gave the green signal. Hon. Members on the other side will kindly bear with me. As I understand, this is the brainchild of the Ministry of Commerce and as I am reported, it is the Minister of State in the Ministry of Commerce who had mooted the idea to the Ministry of Finance and it is at the initiative of a leading official of the Ministry of Finance that the whole thing took a shape.

Therefore, my first question to the Minister of State in the Ministry of Finance is, who had given the green signal? The person or persons who had given the green signal is unfit to remain in the Government any longer. I wish the Congress Members realised the gravity of the situation. It is not safe to keep these people in power as a part of the Government. If a member of the Government or a civil servant ever imagines that a part of the State work can be off-loaded to a foreign agency, it is by itself an unpatriotic job. This is an unpatriotic job that is sought to be done by the Government. It is completely unpatriotic. I completely agree with my hon. Congress Members, particularly with Shri Jagesh Desai, that under-invoicing was going to be legalised, it is through this company that the foreign exporters are going to legalise the under-invoicing. Therefore, by appointing this foreign agent we are going to lose more than we seek to gain. We stand to lose because it is the connivance of the foreign agent with the foreign exporters that the value of invoicing will be brought down, and the country w lose this revenue. Therefore, I call a conspiracy to loot the Indian Exch quer.. It is unpatrotic to the exte that a part of the State's machinery being handed over to foreign agencie To that extent it is anti-national. An it is anti-national because it seeks t loot the revenue of the country. Ther fore, let the Minister not enter int hanky panky, let him clearly state i the Parliament, who has given the gree signal whose brainchild it is.

I would like to know if the Cabine has approved this move, if the Com mittee on Economic Affairs knows abou this move and has approved it, or i is the move of a person who woul like it to be done over the head c the Government. This is very importar and this is my third question.

What is bewildering to me, let th Congress Party realise to which way th country is going. It is coming in th background of IMF pressure. it is comin in the background of a number of specia lists being stationed in India, particularl in Delhi, to look after the work of th Ministry of Finance. It is coming i the background of the disintegration o the Soviet Union. Let us not misunder stand. In the background of the disin tegration of the Soviet Union it i coming. Therefore, it is by itself a conspiracy against the sovereignty of th nation to destabilise the nation, in orde to ensure that India does not becom strong. It is a conspiracy from withi and it is a conspiracy from outside. I is a conspiracy from within becaus some conspirators have done the work It is a conspiracy from outside becaus it is being done in connivance of a foreign power or a foreign agency Therefore, I demand an enquiry. I wis the Prime Minister was in the House I demand an enquiry as to how these things could take a shape. This is because it is beyond any comprehension. I do not say that this could not have been done if Nehru was there. It is not a question of Nehru. I do not believe this could have been done when Indira Gandhi was there or when Rajiv Gandhi was there. They were all people with

a little self-respect and self-confidence. I believe there are some people in power who have neither self-respect nor self-confiedence nor confidance in the nation, those who are acting at the behest of a foreign power. Somebody in the Government is acting at the behest of a foreign power, deliberately to weaken the country. Therefore, I would like to know who has given the green signal, whether it is approved by the Cabinet whether it has the approval of the Economic Affairs Committee of the Government of India. Sir, it is very important, more so because it is not only our surrendering a part of the State functioning but we are endangering the State, we are inviting foreign people to peep into the activities of the State. Who has allowed it? Just tell me, which is the country in the world that has allowed intrusion of foreign elements into the environment and activity of the State? Tell me, Sir, which is the country?

I would have believed it if it was sought to be done in Singapore, I would have believed it if it was sought to be done in a colony or a former colony. This is how Pakistan is getting its internal work done. A substantial part of the political work of the State in Pakistan is done in the office of the Ambassador of the United States. A substantial part of that work is done in Pakistan by a foreign power. It is the same way that things are done in Bangladesh. It is the same way that bartering of sovereignty is taking place in Shri Lanka. Do we believe that India should take to that path? If we believe that, then let some people get up and say that we have no faith in the Indian democracy and we would like to invite a foreign power....(*Time-bell*)...

Sir, the matter may be small but there is something very serious. There are very important things which are concealed. What is concealed is much more than what is revealed. There are many things hidden within that. It cannot be innocuous, it cannot have fallen from the heavens, it cannot be accidental, it cannot be the brainchild of a bunch of conspirators. There is a link somewhere. There is a link both inside the country and outside also. Therefore, Sir, I demand a thorough probe and I wish to know at whose behest it was done. I believe it is being done at the behest of a foreign power. I believe, the Minister of State for Finance is being made a scapegoat. It is not this gentleman who is responsible. He is being made a scapegoat. There is somebody else, who is a pawn of a foreign power.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): You are only repeating.

SHRI GURUDAS DAS GUPTA: I believe he is being made a scapegoat.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Mr. Das Gupta, you are only repeating your points.

SHRI GURUDAS DAS GUPTA: I am coming to the conclusion, Sir. My first question is: Government must institute an inquiry as to how it could have happened. (2) Parliament must be made aware of the findings of that inquiry. (3) The people who are responsible, if they are members of the Government are unfit to remain a Minister, are unfit to remain a Secretary of Finance are unfit to remain a Joint Secretary of Finance—whoever it may be; I don't know. All these people must be thrown out immediately. (4) Under no circumstances can the Government take this harmful step which harms the nation, which harms the sovereignty and integrity of the country.

SHRI DINESHBHAI TRIVEDI (Gujarat): Only this has come to light. There are so many other things which have not come to light.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): One more powerful speaker is here, waiting for his turn! Shri Vishvjit P. Singh.

SHRI VISHVJIT P. SINGH (Maharashtra): Mr. Vice-Chairman, Sir, I have

[Shri Vishvjit P. Singh]

heard the most incredible things today—the country has been sold, our sovereignty is finished, we are going to sell our country, there are foreign powers which are working! Mr. Dineshbhai Trivedi even went to the extent of saying that our foreign exchange reserves are the loans that we have taken! I would like to ask Mr. Dineshbhai Trivedi, why were those loans—if you say they are loans—not available before? ...(*Interruptions*). I am asking the Chair.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): No, you can't ask the Chair, nor can you ask Mr. Dineshbhai Trivedi. You ask the Minister. This is a clarification. You have to ask the Minister.

SHRI VISHVJIT P. SINGH: Sir, I will come straight to my clarifications. Mr. Vice-Chairman, this question of over-invoicing and under-invoicing is something about which I have been writing to the successive Finance Ministers ever since I became a Member of Parliament. I have been writing about it. I have been pointing it out. I have seen the reports that are available. I have given instances, quoted examples where company 'A' imported at one price, company 'B' imported at another price and company 'C' imported at a third price.

SHRI JAGESH DESAI: Was action taken or not later on?

SHRI VISHVJIT P. SINGH: They have not taken any action.

SHRI JAGESH DESAI: Why have they taken no action?

SHRI VISHVJIT P. SINGH: Jageshbhai, I requested you before I started, please, not to interrupt me. Let me finish.

Mr. Vice-Chairman, Sir, the difference has been in some cases even up to 500 per cent between one price and the other price. It is there where the drain of the foreign exchange resource has been taking place. In that context I would like to come close to this statement. I would like to know from the Minister:

Is it not a fact that pre-shipment inspection is a very common thing in all exports and imports? Is it not a fact that pre-shipment inspection takes place today of those goods which are imported into and exported from this country? Is it also not a fact that pre-shipment inspection is not done by a Government agency but that it is done by private agencies who are specialists in the job? When we import engineering goods from abroad, do we not get pre-shipment inspection done by professional agencies abroad who inspect those goods and certify them? Is it not a fact that when we export garments from this country, we get a pre-shipment inspection done by professionals from abroad? Is it also not a fact that when we import even equipment like the defence equipment from abroad, we get pre-shipment inspection done by professional agencies who are working in those countries?? Yes, Is it not a fact? Mr. Vice-Chairman, through you, I would like to ask of the Minister. If that be the case, then, where is the problem with this pre-shipment inspection? Is it also not a fact that this pre-shipment inspection is not going to affect the powers of the Customs authorities? Is it not a fact that even if the shipment is cleared by such an agency, the Customs authorities still have a right to interfer in the matter? Is it also not a fact that there are over 100 countries today which are using these professional services? Is it also not a fact that these countries which are using these services are the ones who are the most advanced today in the world, economically advanced? Is it also not a fact that those countries have profited by getting this pre-shipment inspection done by professional companies?

SHRI JAGESH DESAI: *

SHRI VISHVJIT P. SINGH: *

SHRI JAGESH DESAI: *

SHRI VISHVJIT P. SINGH: *

* Not recorded.

SHRI JAGESH DESAI: *

SHRI VISHVJIT P. SINGH: *

SHRI JAGESH DESAI: *

SHRI VISHVJIT P. SINGH: *

3.00 P.M.

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : यह डिबेट का भाग नहीं रहेगा। मैं माननीय सदस्य श्री विश्वजित पृथ्वीजित सिंह से अनुरोध करूंगा कि आप कृपया आगे आ जाएं और पीछे जो भी बात हो वह आप न सुनें।

श्री राम नरेश यादव : महोदय, आपसे एक निवेदन है कि अभी जो बात हुई है वह रिकार्ड में नहीं जानी चाहिए।

SHRI VISHVJIT P. SINGH: I request that my remarks, which I made just now, may be expunged from the report. They were said in a moment of heat. I apologies to the House them. They must be expunged.

उपसभाध्यक्ष (श्री शंकर दयाल सिंह): ठीक है। यह रिकार्ड में नहीं जाएगा।

SHRI VISHVJIT P. SINGH: Thank you.

Therefore, Sir, I once again reiterate. I would like to know from the hon. Minister whether this pre-shipment inspection in any way impinges upon the powers of the customs services. If it does, I would request him not to enter into such a contract. If, on the other hand it will be of help to the customs services and will not curtail the powers of the customs services, we should go in for it. I know that over one hundred advenced countries have employed these services. It has been said here by various Members that our missions are competent to run these things. Why don't our missions do this? Why does not the customs authorities set up their own set up all over the world? I would like to know from the hon. Minister what will be the cost of such a set up. Will it be feasible to make such a set up in other countries of the world, where, we are importing and exporting. Now that we have liberalised the import and export, I am sure we will be going into newer markets. How much will be the cost of setting up such an appraisal unit at every airport, at every port and at every major commercial set up? What will be the cost of training the people in the languages of those countries? After all those people will have to be proficient in those languages. What will be the cost to us for setting up such an organisation? If the cost of setting up such an organisation is within our bounds of feasibility, I would request the hon. Minister to set it up. If such an organisation is beyond our capacity, how do you propose to go about it? I can't imagine how it is going to be set up. How are you going to have people who speak all the languages of the world, who are sitting in every single port, every single airport, every single commercial centre, because soon that is what power of India going to be. Have faith in yourself. We are a power to reckon with. The whole world is looking at us. Have some confidence in yourself. Don't lose your confidence. With these words, I request the hon. Minister to kindly answer each of my queries.

श्री सुरेन्द्र सिंह ठाकुर (मध्य प्रदेश): आदरणीय उपसभाध्यक्ष जी, माननीय वित्त मंत्री जी ने जो वक्तव्य सदन में दिया है उसका पहला पैरा पढ़ कर खुशी होती है कि उन्होंने सीधा-सीधा उस आरोप को नकार दिया है जो कुछ दिन पहले उनके मंत्रालय के ऊपर लगाये गये थे। लेकिन उस पूरे वक्तव्य को पढ़ कर ऐसा लगता है कि न तो इसके बनाने वालों ने कुछ सोच-विचार कर इसको प्रिंट किया और न ही मंत्री जी ने शायद कोई इस पर ध्यान दिया है। मंत्री जी ने अपने वक्तव्य में बताया है कि लगातार इम्पोर्ट-एक्सपोर्ट के बिजनैस में विदेशों से जब हम इम्पोर्ट करते हैं तो वहां के पोर्ट पर कोई इंस्पेक्शन की सुविधा न होने की वजह से काफी बड़े रेवेन्यू का नुकसान जिसमें फारेन एक्सचेंज भी शामिल है, होता रहा है। मैं जानना चाहता हूं कि कितना नुकसान आपके मंत्रालय में एस्टीमेट किया है आजतक बिना किसी इंस्पेक्शन के जब यह मेटीरियल आता रहा अंडर-इनवाईसिंग और

*Not recorded.

[श्री सुरेन्द्र सिंह ठाकुर]

ओवर-इनवाइसिंग होती रहा? अगर नुकसान का अंदाजा मंत्रालय को था तो इसको खत्म करने के लिए कौन से कदम मंत्रालय ने आज तक उठाये? इस बारे में कोई चर्चा नहीं की गई है और अभी हमारे एक माननीय सदस्य ने कहा कि इंस्पेक्शन होता रहा है दूसरी एजेंसी के द्वारा। अगर मंत्री जी स्वीकार करते हैं कि ऐसा हुआ है तो इसकी चर्चा इस वक्तव्य में क्यों नहीं की गई? मैं जानना चाहता हूं कि जो आफिसर्स भेजे गये हैं सिंगापुर और इंडोनेशिया क्या इसलिए भेजे गये कि इस एजेंसी ने अप्लाई किया है भारत पर दया और रहम खाकर कि उनके फारेन एक्सचेंज की रक्षा की जाए, कस्टम में जो नुकसान हो रहा है उसको बचाया जाए। तो उस एजेंसी के ऑफर पर क्या वह जांच करने गये थे कि वह सक्षम हैं या नहीं। जो वक्तव्य को पढ़कर मेरी समझ में नहीं आता। लेकिन वक्तव्य में मंत्री महोदय ने कहा है कि एजेंसी में अभी ऐसी स्थिति नहीं आई है कि वे पेश की जाने वाले अपने प्रभारों को बता सकें। इस प्रकार, उनकी सेवाओं का उपयोग करने के लिए न तो कोई निर्णय ही लिया गया है अथवा न ही कोई वचन दिया गया है। इसके पहले पैरा नं० 4 में लिखा है, एस.जी.एस. ने अपनी सेवाएं हाल ही में पेश की हैं। उन्होंने वित्त मंत्रालय के अधिकारियों के साथ समन्वेषी विचार-विमर्श भी किया। वित्त मंत्रालय से विचार-विमर्श हो गया है और रेट खोले नहीं गये हैं यह बात मेरी समझ में नहीं आ रही है क्योंकि यह पूरा वक्तव्य कन्फ्यूज कर रहा है पूरे सदन को, सभी सांसदों को। मंत्री जी कृपया इसका खुलासा करने की कृपा करें। मैं जानना चाहता हूं कि आपने यह स्वीकार किया है कि विदेशों से जब इम्पोर्ट हम करते हैं तो आपने खुद लिखा है अपने पांचवें पैरे में: "भारत में आयात किए जाने के लिए आशयित माल के वास्तविक लदान से पूर्व पत्तनों में किये जाने वाले निरीक्षण से है। ऐसा निरीक्षण हमारे सीमाशुल्क विभाग द्वारा अथवा उस उद्देश्य के लिए, आज की तारीख में किसी भी भारतीय प्राधिकारी द्वारा नहीं किया जाता है।" यह बात समझ में नहीं आती है।

एक तरफ आप कह रहे हैं नुकसान हो रहा है और दूसरी तरफ आप कह रहे हैं कि आपके पास कोई जांच की एजेंसी नहीं है, भारत के पास कोई एजेंसी नहीं है तो आपने नुकसान का कैलकुलेशन कैसे किया? जैसे हमारे माननीय सदस्यों ने अपने विचार व्यक्त किये हैं मैं उसी बात में हां करता हूं कि यह बहुत दुर्भाग्य पूर्ण कदम होगा अगर सरकार इसी प्रकार की किसी विदेशी एजेंसी को इंस्पेक्शन में फिक्स करती है। मैं मांग करूंगा कि मंत्री महोदय अपने देश की क्षमता पर विश्वास करें और हमारे ही देश की जो कस्टम की एजेंसी है उसको सशक्त बनायें और उसी के माध्यम से यह जो इंस्पेक्शन का कार्य है, पूरा कराया जाए। इस बात का विश्वास इस सदन में दिलायें, जैसा उन्होंने आखिर में कहा है कि सदन को विश्वास में लिए बगैर कोई कदम नहीं उठाये जायेंगे...। मेरी उनसे गुजारिश है कि जो भी रिपोर्ट उनके आफिसर्स ने उनको प्रस्तुत की है, वह प्रश्न पहले आ चुका है कि वे आपकी मरजी से गए थे या नहीं गए थे। अगर नहीं गए थे तो क्या आपने उनके विरुद्ध कोई कार्यवाही की है और अगर मंत्री जी की परिशिष्ट से गए थे तो कितना खर्च सरकार का उन पर हुआ है? जब कोई आवश्यकता इस प्रकार की नहीं थी तो उनको क्यों भेजा गया? इन सारे प्रश्नों का जवाब मैं चाहूंगा। धन्यवाद।

SHRI ASHIS SEN (West Bengal): Thank you, Mr. Vice-Chairman, Sir. The House should be thankful to our colleague Mr. Dineshbhai Trivedi, for, had he not raised it the day before yesterday and media given wide publicity to it perhaps this discussion would not have taken place. I am thankful to him. But, at the same time, I am not in a position to have a highly charged tune of my throat in the manner in which another colleague of mine

on the other side tried to apprise the House about the defence of what is going to be done here. It has also become a clear indication, as Mr. Gurudas Das Gupta said, that there is a positive distinct section in the ruling party today in favour of these agencies. He rightly demanded that there must be an investigation as to who are behind these things.

Coming to the statement of Hon'ble Minister Mr. Thakur he categorically denies that there is any such move. He denies that it is a move not at the behest of the World Bank. Which move does he deny? Is it that move or is that a move with which the World Bank and the IMF or any other international agency has nothing to do? Which move does he deny? Obviously it means that he is denying that it is not at the behest of the World Bank that the customs duty collection is being handed over to a multi-national company. As is seen systematically, it does not carry any conviction that there is no such attempt on the part of the Government to hand over the responsibility of customs duty collection to an agency away from the country. I do not know whether I should call it condemnable or unfortunate. Or should I say that we are acting as the pawns of a foreign agency? Underinvoicing and overinvoicing have been going on in every country over a long time. But why, of late, has it become necessary to do something? Four days back, the Finance Minister made a statement about the Narasimham Committee report. What is the reaction to that report? The World Bank officials were very happy after seeing the Narasimham Committee report. A team of their officials of the Indian Department is at present at Delhi "to discuss a long but anxiously awaited fiscal change", a policy package drafted by the Committee. They are happy that "the report will be the starting point of the Indian Government's economic reforms and matters connected with it." On every alternate day we find new proposals being pushed forward by the Government. Step by step our economic independence and sovereignty are being scuttled and curtailed with the cover that it is in the interest of the nation, for the resurrection of our economy. We feel that all these good talks are being done only to cover this and hoodwink the people.

This particular Swiss company is being given this job. They are said to be specialised in detecting malpractices. I consider they are the instruments at developing and expending malpractices. In the statement it is stated that if they the statement it is stated that if they are given the charge of different ports in different countries, they will detect pre-shipment underinvoicing and over-invoicing and all that. Obviously, they cannot be God's children doing this job without any consideration, only looking after our national interests, looking after the interests of the people of the country called India. It cannot happen like that. And there will be a two-way out. One is, this particular agency will be doing that. The other is, there will be lesser and lesser revenue collection by the Customs Department. That is why we strongly disapprove this type of a thing that is going on. As Mr. Dipen Ghosh has rightly said, we have got our office consular offices and empassies in different countries. Why should we not entrust the job to them? That is not going to cost more than 400 or 500 crores of rupees reportedly to be paid to the Swiss multinational to get this job done. 400 crores of rupees—1 per cent commission, that is today's position. I do not know what is going to be the position day after tomorrow about that. And a little earlier, when we were talking about the Appropriation Bill, 15 crores of rupees are being spent for reducing the staff strength by voluntary retirement. What a contrast about this! We cannot provide sufficient money to keep the industry going, we cannot have sufficient money to keep the workers in employment, we cannot keep our industries running instead of being sick and in doldrums, but we are giving contracts to people who are living away from our country, contracts to people who need not have anything to do with our country till today but of late, when you are having transactions with the IMF, so many people are offering their services to India. What has happened today?

[Shri Ashis Sen]

Has India become a blue-eyed boy? That is why these people are coming forward to our Finance Ministry saying, "do this and do that" like this" and they are offering their services for nothing? Is it not a conditionality of the IMF? If it is a conditionality of the IMF, why should we go in for that? This is the question that comes before us now. A few days back, I will say about four or five weeks back, we found the Finance Minister asking the Customs Department officials that before the financial year is out, we must have 2,000 crores of rupees collected by the Customs Department. Big write-ups went on in the media and after a few days we found that officials in the department said, it is an impossible affair. Even 1,000 crores of rupees cannot be collected. (*Interruptions*). What is the reason for having given the job of collection of customs duty to the foreign agency? What were the links?

Can we not strengthen our Customs Department to do this? Yes, corruption is there. Corruption is in the Ministry itself because had it not been a case of corruption, then the country would not have been sold out in this manner, as is proposed to be done by this particular proposition of giving that company the job on our behalf, (*Interruptions*). Restructuring is going on. Hundred countries are doing this. I do not know. I am not a shipper. Mr. Vishvjit Singh might be knowing the names of those countries I do not know which country is doing it. Let him tell here at least ten-fifteen names. My point is, so long as it could be done without this, we should do it. What necessity this arisen to do it unless it has got something to do with the conditionalities of the IMF or it has something to do with the linkage between the people in our administration, in the Ministry, and the foreign power, the foreign agencies who are handling this matter?

I would like to say one thing about this. Assuming that this is done, what is going to be done with our Customs Department? Will the department remain with several thousand workers associated with it? You have no consideration for the workers while making such a proposal. Are we then to appoint a multinational company as was said by him perhaps for the collection of our income-tax? May I go a little further? Why not appoint an agency to unearth the black money that is rolling in our country? Even with paying any commission, a constructive job could have been done by the Government to unearth the black money. Will the people who are supporting this cause support this and make a move that such a body we appointed? (*Interruptions*). Whatever is there, the Government must not proceed with the appointment of the Swiss Company any further. There is no scope, no ground for it because there is no question of moving with this at the cost of our nation's sovereignty and economic freedom for that matter. If at all any action is taken by them, this sovereign Parliament must be informed in advance and the Parliament must have an opportunity of know the Government's mind. Before that nothing should be done. Before that, let there be a discussion on this matter in the House so that we can nip it in the bud. That is what I am demanding of the Minister and the Government. Thank you.

SHRI SHIV PRATAP MISHRA (Uttar Pradesh): Sir, I want to make one point and I will take only one minute. I don't went to make any speech in seeking clarifications from the hon. Minister. I was listening carefully to the clarifications sought by my colleagues, Mr. Vishvjit P. Singh and Mr. Dineshbhai Trivedi. He has to kindly tell us whether hundred countries are involved in such sort of contracts. Mr. Trivedi has vehemently criticised the act of the Government. At the same time I can say that this Government can't act so irresponsibly as can be seen from the acts and from the performance of the last six months when our reserves were sufficient for imports for only two weeks and we were in a critical juncture in the economic field, but later on I can say that the target of reserves

of 1993 has been completed now by making it 8,000 crores of rupees. So I can't blame him that he has done this act negligently, but at the same time I would like to warn him because if we go through the annals of history, the past facts, we find that the East India Company the Portuguese and the French, they all came to India and entered into contracts for some services and India fell into the trap of the British servitude, the Portuguese servitude and the French servitude. I would like to know whether it is not a fact that the Government is not going to compromise in any way the interests of the nation. Our country is a vast country and there are several departments like this. So I would like to know whether similar services are going to be taken by other countries of the world in the same fashion or not.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): Sir, I have heard the hon. Members with due attention. At the outset I would like to mention that the statement made by me this evening and the categorical denial I have given are absolutely correct and I want to repeat it that it appears there are certain misapprehensions in the minds of the hon. Members. When certain issues are raised, naturally it is our duty to state facts as they are before us and in that respect the statement has been made on the basis of the facts before the Government. It seems to me, now today from the various observations made that the genesis of the report or the allegations made is that primarily something is being done at the behest of the World Bank or the IMF. Firstly, we have to understand what the service is about which we are talking: whether this service is new to India; whether this service is not being conducted in India today and whether it is not being conducted in other parts of the world. We are living in a world where specialised services, professional services, are available throughout the world, in our country, elsewhere also, in all the fields it may be medical, it may be engineering, it may be science, it may be law, it may be other fields of specialisation. We have specialised services in our country. Similarly, in other countries they have got specialised services. Some countries are very much developed in this matter because of their experience and expertise. We should know—for instance, we are talking about only inspection that inspection is a specialised function which is conducted by many agencies in our country and by many agencies in each and every country of the world. In every walk of life there are certain institutions which are very specialised, either in India or abroad. Similarly, in every branch there are certain specialised agencies who claim that they have better expertise, technical personnel, etc.

SHRI DIPEN GHOSH: Just one minute. I want to make a point. It is true—I have stated it and Mr. Vishvjit Singh has also stated it—that appointing an agency for pre-shipment inspection is already in vogue. But who does it? (*Interruptions*)...

SHRI RAMESHWAR THAKUR: You please hear the whole thing Kindly hear the whole reply. I am going to reply to each and every point raised by you. Kindly appreciate (*Interruptions*)... No, this is not the way. I am going to reply to each and every point... (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Why don't you take your seat, Mr. Dipen Ghosh?

SHRI DIPEN GHOSH : An individual importer.

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH) : Dipen Ghoshji, please take your seat. (*Interruptions*).

SHRI DIPEN GHOSH: It is the individual importer. It is the importer who appoints the agency for pre-shipment inspection. (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): What are you going to do? First hear the Minister and then ask your questions? (*Interruptions*).

SHRI RAMESHWAR THAKUR: Now, hon. Member may let me try to explain each and every point made by him and all other Members. Kindly have a little patience. I will reply to each and every point to the best of my knowledge. You need not have any doubt about that. After that if any question is asked or many questions are asked, I will further reply to them. Kindly have patience and don't disturb me. This is not the way. You have not heard it fully and you have started commenting on it.

SHRI DIPEN GHOSH: I am seeking a clarification.

SHRI RAMESHWAR THAKUR: I will give you clarification after I give clarifications to all other questions raised by you and other Members. I will take one by one. I am only making a preliminary observation that unless the issue is clear the comments will not be correct. I am saying that there are specialised agencies in almost all professions in India and elsewhere in the world. Similarly, we have got international bodies and federations. For instance, lawyers there is an international federation; for chartered accountants there is an international federation; for medical profession there is an international body; even for sports and music there are international bodies. The field of inspection is also a very specialised field. It has developed well in different countries of the world and there is a world body. I would like to mention that there is an International Federation of Inspection Agencies which today has full and associate memberships all over the world. This agency is one of the members of that body and it is a regular body—whether we take its service or not is a different matter. I am not saying that. Let us appreciate that this is an agency which is a part of that international body and these kinds of services are being rendered by it. Even today I know that these kinds of services are being rendered in all countries. I will take one by one so that I can cover all points and you will be satisfied.

Now, our friend, Mr. Narayanasamy, has started this debate and he has stated about the network of five or six countries and other Members have stated a large number of countres. I want to say, according to the information brought to our notice, these kinds of services are being rendered in different parts of the world—in the European region in U.K., France, Switzerland, Germany, Greece Turkey, Finland, Italy and other countries and in U.S. and other countries. And in Asia-Pacific region, China, Japan, Sri Lanka, Malaysia, Taiwan, Singapore, Indonesia, Philippines, Thailand and other countries are there. Similarly we have got a list of African and Latin American countries. So these kinds of services are rendered by these types of agencies in various parts of the world. They are very important countries. There is no question of simply doubting those countries. Whether we have the necessity or not, is a different thing. (Interruptions). If you have any specific knowledge about a firm you should say. So, this is not a question of having any doubt or apprehension in the minds of the Members that anything fishy is going to happen. This Government is an open Government. We have open industrial and other policies. We have openly given the conditionalities of the IMF about which a lot of noise was made everywhere. We have placed it on the Table of the House.

SHRI GURUDAS DAS GUPTA: Sir..

SHRI RAMESHWAR THAKUR: I am coming to your point. Please hear me. Don't disturb me. We are one of the top importers and exporters in the world. Top means, not that we have many figures but we are one of them. We have made imports of Rs. 40,000 crores every year and we are making exoprts also, apart from defence equipments. I want to make it absolutely clear that defence articles are not coming to Customs. Even now these consignments are checked by the Defence officers themselves. No tax is levied by the Customs. So that is out of question. Therefore, one should not have any apprehension that they would

get the knowledge about what is happening in India and affect its sovereignty and all that. Many things we speak and say but we don't have the complete information and that creates problem. A question was asked whether some officials visited some countries and the Government has accepted Customs security consideration also. Sir, we have always utmost consideration for the security of the country. We have utmost consideration for the development of the nation. Mr. Trivedi very nicely mentioned the name of Gandhiji, Panditji and others. I will say very humbly that I had the privilege of being blessed by Gandhiji. I am one of the freedom-fighters. I have name of Gandhiji, Panditji and others. I can give my whole blood for the country. We are not people who can be accused in a general way. Let us not talk about big things. I have worked with Panditji. You may not be aware because you are very young in that respect. But don't go on quoting big persons and big personalities. That is not fair.

SHRI DINESHBHAI TRIVEDI: They are the national leaders; we have a quote them.

SHRI RAMESHWAR THAKUR: A question was asked about the conditions of the World Bank. There are no conditions of the World Bank in this regard. I want to make it absolutely clear. A question was asked about the SGS seal. Two or three hon. Members have mentioned about it. I want to repeat that even if this service is taken, it is not taken anywhere in India. These are agencies in India, Indian agencies which are being employed by importers from other countries from India. They are private agencies. There are our Indian agencies. But there are foreign agencies also. I am trying to say that they have got agencies, Indian agencies as well as foreign agencies in India for imports from India, rather our exports from India. This is being done. One hon. Member mentioned that they will know about our imports... (*Interruptions*)...

SHRI DIPEN GHOSH: The American importers... (*Interruptions*)... They employ their own agents... (*Interruptions*)

श्री रामेश्वर ठाकुर : मान्यवर, एक कहावत है कि लाल चश्मा लगाने से सब लाल दिखाई देता है और हरा चश्मा लगाने से सब हरा दिखाई देता है।

You have pre-conceived ideas about things. Let us be reasonable... (*Interruptions*)...

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : देखिये, आप अपनी बात कहिये। (व्यवधान)

श्री रामेश्वर ठाकुर : लेकिन बीच में टोका-टोकी नहीं होनी चाहिये।

SHRI ASHIS SEN: Some people have got their prejudiced eyes on red. What about those people who have got their eyes on the Stars and Stripes... (*Interruptions*)

SHRI DIPEN GHOSH: He is not answering my question... (*Interruptions*)... My specific question is whether... (*Interruptions*)... the agents are appointed by the Government or the individual importers... (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): I am not allowing anybody to interrupt. Mr. Dipen Ghosh, please sit down... (*Interruptions*)

SHRI DIPEN GHOSH : He is not answering my question... (*Interruptions*)...

SHRI V. NARAYANASAMY: They are agents and not importers or exporters ... (*Interruptions*)...

SHRI DIPEN GHOSH: It is not that ... (*Interruptions*) ... He is manipulating. They are agents ... (*Interruptions*) ..

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH) : Please sit down... (*Interruptions*)...

SHRI RAMESHWAR THAKUR: Please listen to me. You think you are the most knowledgeable person. But you are saying wrong things. I am coming to your questions... (*Interruptions*)...

SHRI DIPEN GHOSH: You are misleading the House... (*Interruptions*)...

SHRI RAMESHWAR THAKUR: I am not misleading ... (*Interruptions*)...

SHRI DIPEN GHOSH: I had worked in the department for 30 years... (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Please take your seat... (*Interruptions*)...

श्री सुरेन्द्रजीत सिंह अहलुवालिया (बिहार): उपसभाध्यक्ष महोदय, यह बुली कर के जवाब नहीं ले सकते हैं। मुंह में जवाब डालना गलत बात है।

उपसभाध्यक्ष : (**श्री शंकर दयाल सिंह**) : देखिये, सदन की कार्यवाही चलाने के लिए नियम होते हैं। क्लेरीफिकेशंस पूछे गए, अब उसके बाद मंत्री जी जवाब दे रहे हैं। आप उनका जवाब सुन लीजिये। जवाब से आप संतुष्ट नहीं हैं तो फिर आप कोई सवाल करें। बीच में यदि कोई प्रश्न होगा तो वह रिकार्ड पर नहीं जाएगा।

SHRI RAMESHWAR THAKUR: A question was asked why I had not given the denial the same day and that I had denied it after two days after preparation. I would like to mention to the hon. Member that on the same day that is, on the 17th of December, in the Lok Sabha, I had made a statement denying it. The hon. Members there had not raised the issue. Today I made the statement and all the hon. Members including your party accepted it in the manner I had made it... (*Interruptions*)...

SHRI GURUDAS DAS GUPTA: What is this... (*Interruptions*)... Sir, he is referring to Lok Sabha... (*Interruptions*)...

SHRI DIPEN GHOSH: Sir, he cannot do it... (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Mr. Thakur, you should not refer to the Lok Sabha here... (*Interruptions*)...

SHRI RAMESHWAR THAKUR: I would like to assure the House that so far as administration is concerned, it will be the responsibility of the Government and the Board. There is no question of handing over the administration to anybody else. There seems to be a misgiving. Sometimes we get offers, and we would just want to examine them. That does not mean anyway that we have got any idea of handing over any administrative part to anybody, whosoever he may be. There is no such thing in our consideration. My point is that in my statement I have only said that services were indicated. Two or three hon. Members asked whether any decisions have been taken, or they said decisions have been taken and we are trying to suppress it. With all sincerity, I say that I have not seen the report of the Committee. My Finance Minister told me yesterday evening, he has not seen the report. Only talking and just imputing motives ... (*Interruptions*)

SHRI V. NARAYANASAMY: According to him, they submitted the report. Then who saw he report?... (*Interruptions*)

SHRI DIPEN GHOSH: Because the Government is run by the agents, now can you see those reports!... (*Interruptions*)

SHRI RAMESHWAR THAKUR: A query was made by the hon. Member whether the Cabniet has approved it. Whether the Cabinet Sub-Committee has approved it—another query has been made... (*Interruptions*) I am replying one by one.. I said the question of

Cabinet does not arise. I have not seen it. My Finance Minister has not seen it. We have stated in the statement that the report has been submitted for the preliminary examination of the Department... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Who has done it? Mr. Minister, please let us know at whose initiative the move has been made.

SHRI RAMESHWAR THAKUR: I have made it clear in my statement... *(Interruptions)* After hearing the whole thing... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Sir, I seek your protection. The Minister should let us know—it is true that two officers have gone to Singapore—at whose instruction, the members have gone. Is it at their own initiative or is it at the initiative of the Commerce Ministry or the Finance Ministry or is there some super-god or super-Ministry?

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): Please take your seat... *(Interruptions)*

SHRI RAMESHWAR THAKUR: राम जरेश यादव जी ने यह पूछा था... **(व्यवधान)**

I am taking up one by one... *(Interruptions)*

THE VICE-CHAIRMAN (SHRI SHANKAR DAYAL SINGH): This is not the way. This will be an endless thing. Please take your seat.

श्री रामेश्वर ठाकुर : यादव जी ने यह पूछा था कि हमारे जो कस्टम वाले हैं उन्हीं को हम क्यों नहीं योग्य बनायें, बाहर की सेवा क्यों लें, बाहरी कम्पनी को काम क्यों दे रहे हैं और आश्वासन दें किसी भी हालत में विदेश में हम ऐसी कोई सहायता नहीं लेंगे जिससे हमारे देश को नुकसान हो। मैं यह निवेदन करना चाहता हूं कि हमने स्टेटमेंट में कहा है कि वे सेवाएं जो हमारे देश में कस्टम विभाग की सारे देश में हैं उनमें किसी प्रकार की कटौती या कमी नहीं होगी, वे बरकरार रहेंगी और यह सवाल केवल सीमित इस बात का था कि विदेश में जहां हमारा इंतजाम नहीं है वहां... **(व्यवधान)** या तो आप कह सकते हैं जैसे एक माननीय सदस्य ने सुझाव दिया कि आप सभी देशों में यदि अपना ही विभाग खोल दें तो उसकी क्या कीमत होगी और यह व्यवहारिक है कि नहीं, तो हम इन दोनों सवालों का एक साथ जवाब देना चाहते हैं। हम इस बात की तजवीज कर रहे हैं, हम वास्तव में यह मानते हैं, बहुत से अर्थशास्त्रियों ने कहा है, दूसरे लोग कहते हैं, चेलैया कमेटी रिपोर्ट में कहा है कि जो ब्लैक मारकेटिंग यानी समानांतर अर्थव्यवस्था है उसमें इन्वाईसिंग का बड़ा भारी हाथ है इम्पोर्ट एक्सपोर्ट में, उसको कम करने के लिए यदि कोई एजेंसी है जो प्रमाणिकता के साथ करती है तो यही एजेंसी है यह जरूरी नहीं है हम अपना विभाग खोलेंगे वहां पर। हम अपने यहां कर ही रहे है न हम कभी करेंगे हम और सुदृढ़ कर रहे हैं, उसको मजबूत कर रहे हैं। लोगों ने कंप्यूटर कहा। हम तो यहां कंप्यूटर डाल रहे हैं और जहां नहीं है वहां डाल रहे हैं। हम अपने देश को पूरा सुदृढ़ कर रहे हैं। सवाल है कि बाहर से जहां से मंगाते हैं उसमें हम किसी की मदद लें, उसमें इस काम में और सहायता मिलेगी प्रश्न इतना ही सीमित है और इसमें हम पूरे सदस्यों को आश्वासन देना चाहते हैं कि ऐसा कोई भी काम सरकार नहीं करने वाली है जिसमें हमारे कस्टम के जो अधिकारी हैं या सारे अधिकारी जो इस काम में लगे हुए हैं किसी भी प्रकार से उनके काम में हस्तक्षेप हो अथवा उनके काम को कम किया जाए, उनके अधिकार को कम किया जाए, ऐसी कोई योजना नहीं है। यहां जितना भारत में जो काम वे करते हैं वे करते ही रहेंगे, केवल बाहर के असेसमेंट का सवाल है।

SHRI GURUDAS DAS GUPTA: We want facts, not a speech.

SHRI DINESHBHAI TRIVEDI: On a point of order. The Minister is misleading the House. He is saying that in no way will the customs be affected whereas the very valuation which is done by the Customs Department will now be done by somebody else.

SHRI RAMESHWAR THAKUR: Shri Suresh Pachouri asked certain questions. I have already replied to part of his questions... *(Interruptions)*

किन-किन देशों ने सेवायें प्रस्तुत की हैं, मैंने वह जवाब दे दिया है... **(व्यवधान)**

अब जो अधिकारी गये थे, वह स्वाभाविकता सरकारी खर्च पर गये थे। जो सरकार के अधिकारी जायेंगे, वह अधिकृत होकर जायेंगे। सब यह है कि आयोराईज्ड को वेल-इक्विड एकपेंस-रोड उपलब्ध करायेंगे ताकि वह एफिसंसी से काम करेंगे।

यह साल बहुत ही उत्तम है। हम अपने देश में जो इक्विपमेंट चाहिए, जो सुविधा चाहिए हम दे रहे हैं। हमने एडमिनिस्ट्रेशन को काफी स्ट्रीमलाईन किया है। कई जगह जहां एक्विपमेंट नहीं थे, वहां दिये हैं, और अधिक दे रहे हैं जिससे कि वह अपने देश में अच्छी तरह से काम करें।

सवाल केवल विदेश का है, जो पहले ही मैंने आपको बता दिया है। कुछ कार्य ऐसे हैं कि जो इम्पोर्ट करते हैं, उसकी जानकारी प्राप्त कर लेंगे, तो इससे क्या लीकेज होगा। महोदय, यह मैं कहना चाहता हूं।

SHRI DINESHBHAI TRIVEDI: He is misleading the House.

SHRI DIPEN GHOSH: What is the point raised by us and what is he answering? He is confusing.

SHRI GURUDAS DAS GUPTA: He must answer the query. We do not want any statement. We have listened to his speeches. He must satisfy us. What is this?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI M. M. JACOB): He is trying to satisfy you.

SHRI DINESHBHAI TRIVEDI: No major country ever hands over one thing to one company.

SHRI DIPEN GHOSH: No Government allows any private agency to operate on its behalf in the matter of collection or settlement of customs duty or income-tax.

SHRI DINESHBHAI TRIVEDI: Only one agency is being appointed all over the world. Let us walk out. He is totally misleading us. We do no want to listen to him.

SHRI GURUDAS DAS GUPTA: We don't want to listen to his speech.

SHRI DIPEN GHOSH: He does not know the reply. That is why he is confusing. We are not here to listen to his speeches like this. We will walk out.

SHRI GURUDAS DAS GUPTA: It is impossible like this. He is not giving us facts. We want facts. Instead he is giving us fiction.

SHRI RAMESHWAR THAKUR: I must say you are not prepared to hear the truth. When I am meeting each and every point of yours, you have no patience

SHRI GURUDAS DAS GUPTA: You are selling out the country. *(Interruption)* Let them sell it out. We will walk out.

(At this moment some honourable Members left the Chamber)

SHRI RAMESHWAR THAKUR: An honourable Member has said ... *(Interruptions)*.

श्री सुरेन्द्रजीत सिंह अहलुवालिया : माननीय मंत्री महोदय, आप यह बतायें कि इस कम्पनी के माध्यम से रेवेन्यू में कोई बढ़ोतरी होगी कि नहीं होगी

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : अहलुवालिया जी, अब आप नये सवाल का जवाब मत पूछिये। जो सवाल इनसे पूछा गया है, उसका जवाब पहले ले लीजिए।

SHRI RAMESHWAR THAKUR: One question was asked about leakage of imports. I want to tell the House that we have a daily list of imports and the list is made available to the trade. So it is not a secret. Excepting defence things and some other things selected by the Government, the trade channel gets the list of customs houses. We do not want to keep anything secret. We want the people to know. So there is no question of leakage. That is a wrong opinion. Secondly, Shri Gurudas Das Gupta said something but he is not here; he has left. (*Interruption*) They talked about the Soviet Union's integration or disintegration and all those things. It is not like that. There is nothing like that. I want to say that there is no question of having any kind of conspiracy or anything against inspection. It is a small exercise of inspection, if at all the Government considers it necessary in the interests of the country; otherwise, there is nothing in it. They were saying all sorts of things without understanding the implications or being biased or politically motivated. Therefore, they are making such statements. I have already said that in many countries they are operating and it will certainly increase the efficiency. Whether by this agency or some other agency, if we have pre-shipment inspection, it will be good and the chances of under-invoicing and over-invoicing will be less. Further, it will help in getting revenues for the country. It was only to safeguard our interests that this has been decided. How we should do it and what means should be adopted are all different matters. But it is a good thing and it is coming in and it is in the interest of the revenues of the country only. Then, Sir, they mentioned about giving it to our embassies. All are aware that our embassies are already loaded with administrative matters. Specialised agencies will have to be appointed and that cost will have to be considered. I think it will not be commensurate with the costs... (*Interruptions*)... If there are deficiencies, we will try to remove them. It is not a fact that we have closed our doors. We have not taken any decision and we will take a decision only when it is in the interest of the country and it will be an open decision and there is nothing secret about it. Mishraji asked whether it will lead to compromising the interests of the country. We shall examine that, but it is not so. Many others asked whether our own Departments can do it. I have already said that we have to see to the cost-benefit ratio. We will have to see the cost-benefit aspect and how far it will be practicable and feasible and all that. This is an aspect which we will examine carefully because these are all valuable suggestions... (*Interruptions*)...

SHRI V. NARAYANASAMY: That is enough. We are fully satisfied with your reply ... (*Interruptions*)...

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : आप लोग भी क्या वाक आउट कर रहे हैं? ...(व्यवधान)

SHRI RAMESHWAR THAKUR: One last thing I would like to mention. For sometime past, concerted efforts have been made by some honourable Members with a political motivation. At one time, they did everything in the name of Bofors and nothing was found. Now, they have nothing else. When the country is making tangible efforts to improve its economy, its economic system, to make progress in agriculture and in industry, some Members —it appears; I do not say that it is so— somehow always take the name of the World Bank and the International Monetary Fund as if it has a psychological effect on them. The World Bank is an agency of the world and we know that certain countries have more influence in it. But India is one of the founding-fathers of the World Bank and we are shareholders in the World Bank and we have taken

[Shri Rameshwar Thakur]

loans from time to time and with great dignity we have returned the money that we had taken. Even the World Bank Chief has said in Hong Kong that India is the only developing country which has been able to honour all its international commitments and has never asked for any rescheduling of loan repayment. You see, a developing country like ours has been able to honour all its commitments. But some people are trying, you see, deliberately to say something... (*Interruptions*)...

SHRI SURENDRA SINGH THAKUR: Will the honourable Minister assure the House that he will not engage the agency which we are talking about?

SHRI RAMESHWAR THAKUR: Let me complete this part. The World Bank is a funding agency and they have given money on normal terms for the development of the nation. We are a developing nation. In the Seventh Plan, our international resources accounted for 93 per cent and only seven per cent had to be borrowed and, in the Eighth Plan—it is a very sizeable Plan with an investment of more than seven lakh crores of rupees—90 per cent will be our own resources. So, in the name of World Bank, all the time trying to pressurise the Government and blame the Government is something politically motivated. I want to say with humility, Sir, that it is not correct.

Therefore, Sir, I would like to assure the House once again, as I have done earlier, that nothing will be done by the Government which in any way goes against the interests of the country, against the sovereignty of the country, against the interests of the people of India. Thank you, Sir.

उपसभाध्यक्ष (श्री शंकर दयाल सिंह) : सदन की कार्यवाही कल 11 बजे दिन तक के लिए स्थगित की जाती है।

The House then adjourned at fifty-six minutes past eighth of the clock till eleven of the clock on Saturday, the 21st December, 1991.